

VZCZCXYZ0000
OO RUEHWEB

DE RUEHUL #0634/01 0650227
ZNY CCCCC ZZH
O 060227Z MAR 07
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3170
INFO RUEHBJ/AMEMBASSY BEIJING 2121
RUEHKO/AMEMBASSY TOKYO 2236
RUEHMO/AMEMBASSY MOSCOW 7859
RHEHNSC/NSC WASHINGTON DC
RHMFISS/COMUSKOREA J5 SEOUL KOR
RUEAIIA/CIA WASHINGTON DC
RHMFISS/COMUSKOREA J2 SEOUL KOR
RHMFISS/COMUSKOREA SCJS SEOUL KOR
RHHMUNA/CDR USPACOM HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/EAP//

C O N F I D E N T I A L SEOUL 000634

SIPDIS

SIPDIS

NSC FOR CHA

E.O. 12958: DECL: 03/06/2017
TAGS: [PREL](#) [MNUC](#) [EAID](#) [KS](#) [KN](#)
SUBJECT: NORTH-SOUTH MINISTERIAL TIES HUMANITARIAN AID TO
2/13 AGREEMENT

Classified By: POL M/C Joseph Y. Yun. Reasons 1.4 (b/d)

¶1. (C) SUMMARY: In a March 5 briefing on the February 27-March 2 inter-Korean ministerial in Pyongyang, Assistant Minister for Unification Policy and Public Affairs Lee Kwan-sei told POL M/C that Seoul had three objectives for the talks: (1) to "normalize" inter-Korean relations stalled following the DPRK's missile launches in July 2006; (2) to urge the DPRK to make good on its obligations toward denuclearization under the September 19, 2005 Joint Statement and the February 13 "Initial Actions" agreement; (3) and, to spur blocked inter-Korean projects, such as family reunions, rail connections and humanitarian aid. Lee emphasized that the ROKG delegation insisted so forcefully on the need for denuclearization, that DPRK's nominal head-of-state Kim Yong-nam said that he could not tell if the ROK Unification Minister was representing the Six-Party Talks or North-South ministerial talks. Lee said that there was a clear understanding that if the DPRK honored the February 13 agreement, the ROKG would be ready to pledge 300,000 tons of fertilizer and 400,000 tons of rice at the April 18-21 Economic Cooperation Promotion Committee talks; the North had wanted an earlier meeting, in March, of this group. Lee said that there was no discussion of an inter-Korean summit. END SUMMARY.

¶2. (C) POL M/C on March 5 received a briefing on the February 27-March 2 inter-Korean ministerial in Pyongyang from Lee Kwan-sei, Assistant Minister for Unification Policy and Public Affairs. Lee, who traveled to Pyongyang as a member of the ROK delegation, said the general atmosphere of the ministerial talks was better than before. The DPRK did not take umbrage to ROKG insistence that Pyongyang needed to fulfill its commitment to denuclearization and cease provocative activities, like the July 2006 missile launches. This was a recent departure from the DPRK's position that North-South dialogue could not include denuclearization, because its nuclear program was deterrence against external forces, i.e. the United States. Moreover, the DPRK seemed open to talks to carry out test runs of trains on inter-Korean railways and to address ROK abductees and prisoners-of-war.

GETTING BACK TO BASICS

13. (C) Lee explained that the ROKG entered the ministerial with three objectives. First, the ROKG wanted to normalize inter-Korean dialogue that was stalled following the DPRK's missile launches in July 2006. This objective was reached in that Unification Minister Lee Jae-joung was warmly received and even met with DPRK nominal head-of-state Kim Yong-nam. Moreover, the South Korean side was able to do this despite expressing regret over the missile launches and nuclear test in Minister Lee's keynote address.

14. (C) Second, the ROKG wanted to urge the DPRK to implement the September 19, 2005 Joint Statement and the February 13 "Initial Actions" agreement. Lee noted that ROK officials were so relentless that Kim Yong-nam said to the Unification Minister, in a separate meeting, that he did not know if Lee was a Six Party Talks delegate or a North-South ministerial delegate. During the plenary, on the margins and over the meals, South Korean officials emphasized again and again the importance of implementing the "Initial Actions" agreement. This was why the ROK side prevailed on convening the next Economic Cooperation Promotion Committee (ECPC) meeting on April 18, because this would be after the 60 days in the "Initial Actions" agreement, by which time, the North should have delivered on its commitments. This was "action-for-action," as called for in the Beijing agreement, Lee said.

15. (C) Third, the ROKG sought to resume stalled inter-Korean projects. At the North-South ministerial, the Koreans agreed to resume construction of the separated family reunion center at Mt. Kumgang and to hold additional rounds of video and direct family reunions as well as ECPC, Red Cross and ministerial talks. They two sides also agreed to conduct a

test run of inter-Korean rail links by the first half of this year (see para 10 for the full text of the joint statement from the ministerial talks).

RICE AND FERTILIZER AID: DONE DEAL?

16. (C) Lee explained the brouhaha over Unification Minister Lee's "misstatement" that the Koreans had "agreed" to a resumption of ROKG aid. The Minister had misspoken, in Korean, and had subsequently restated that the Koreans had held "discussions". The Koreans had not signed any document on resumed assistance. Rice assistance was technically a loan to the DPRK, so terms and contracts stilled needed to be completed. Fertilizer was humanitarian assistance, so the request had to be processed through the Red Cross. Both will be finalized during the next round of ECPC talks, which the DPRK wanted in March, but the ROKG insisted on April 18-21. Lee underscored that both Koreans understood that if the DPRK honored its obligations under the "Initial Actions" agreements, then the ROK would offer assistance, which would be 300,000 tons of fertilizer and 400,000 tons of rice, but the linkage was key for the ROK.

SUMMIT NOT RAISED AT MINISTERIAL

17. (C) Lee said that the Korean delegates never brought up the topic of a possible inter-Korean summit. There was no point in doing this because the South Korean side knew that their interlocutors could not respond. They could not say yes, no or even something in between. Simply put, North Koreans could not comment and respond to anything to do with Kim Jong-il (KJI). Discussing a summit would only make the DPRK side uncomfortable. Frankly, Lee added, he had no idea if a summit would occur this year because it depended entirely on KJI. In any encounters involving KJI, he must be seen to be generous, benevolent, and, above all, solving intractable problems. This was quite a burden, requiring KJI to think and prepare beforehand, Lee said.

NEXT STEPS

¶8. (C) Lee said that the ROKG expected the DPRK to fulfill its obligations in the "Initial Actions" agreement, but the next stages of denuclearization were less clear. In his experience, Lee said, North Korean negotiators generally had limited goals and objectives. Often these goals might appear trivial to outsiders, but to them they were very important. For example, Banco Delta Asia (BDA) concerned only USD 24 million, but was of a paramount importance for the DPRK negotiators, and nothing could happen until BDA was resolved.

The key to making progress with the North Koreans was to acknowledge and address their specific concerns.

¶9. (C) Asked to speculate on a possible successor to the late Paek Nam-sun as DPRK Foreign Minister, Lee opined that First Vice Foreign Minister Kang Sok-chu was the probable candidate because he had been doing the real work as Foreign Minister for some time. Lee said he had no hard evidence that Kang would replace Paek, but it was just his intuition. Kang might be appointed as Foreign Minister or named as Acting Foreign Minister to attend a Six-Party ministerial. Lee said that in the DPRK system titles were not too important, and it might be unseemly to North Koreans to name a replacement for a deceased person so quickly. If Kang indeed became Foreign Minister, however, Kim Gye-gwan might be elevated to succeed Kang as First Vice Foreign Minister, with the DPRK Ambassador to the UK, Lee Young-ho, as a possible successor to Kim Gye-gwan.

¶10. (U) The full text of the joint press statement follows (unofficial ROKG translation):

The 20th inter-Korean ministerial talks were held from February 27 to March 2 in Pyongyang.

At the talks, the two sides, while sharing a view that the two should normalize inter-Korean relations expeditiously and, in compliance with the spirit of the June 15 Joint Declaration, the relations ought to be upgraded to a higher level, have agreed as follows:

¶1. The South and North agreed to discuss and resolve all the issues concerning inter-Korean relations through government talks between the two sides in accordance with mutual desire and benefit of the Korean people.

¶2. The South and North agreed to make joint efforts to smoothly implement the agreements reached during the third session and the fifth round of the Six-Party Talks regarding the denuclearization and guarantee of peace on the Korean Peninsula.

¶3. The South and North agreed to actively take practical steps to realize national reconciliation and solidarity. In connection, the two sides agreed to actively participate in the Grand National Unification Festival, which will be held in Pyongyang and South Korea on the occasion of the June 15 and August 15.

¶4. The South and North agreed to resume joint projects in the humanitarian areas and endeavor to practically resolve separated family issues.

- The two sides agreed to begin the fifth round of video reunions between separated families from March 27 to 29 and hold the 15th round of separated family reunions in Mount Kumgang in early May.

- The two sides agreed to resume the construction of the separated family reunion center at an early time. In connection, the two sides agreed that the two Korean Red Cross societies will hold working-level contacts on March 9 in Mount Kumgang.

- The two sides agreed to hold the eighth round of inter-Korean Red Cross talks from April 10 to 12 in Mount Kumgang and discuss and resolve issues of mutual concern, including the issue regarding those missing during and following the Korean War.

¶5. The South and North agreed to expand and develop economic cooperation for the common development and prosperity of the Korean people.

- The two sides agreed to hold the 13th round of Inter-Korean Economic Cooperation Promotion Committee meeting from April 18 to 21 in Pyongyang to discuss and resolve various issues concerning economic cooperation.

- The two sides agreed to carry out test runs of trains on the inter-Korean railways within the first half of this year as soon as the military guarantee measures are put in place. In connection, the two sides agreed to hold a meeting between the members of the inter-Korean Economic Cooperation Promotion Committee in Kaesong on March 14-15.

- The two sides agreed to revitalize the construction of the Kaesong Industrial Complex and take necessary steps in this regard.

¶6. The South and North agreed to hold the 21st inter-Korean ministerial talks from May 29, 2007 to June 1 in Seoul END
TEXT.
VERSHBOW